

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Synopsis of Headquarters Claims Review Board (HCRB) Activities

FROM:

Harry E. Fitzwater
Deputy Director for Administration

EXTENSION

NO.

DATE

DD/A Regi

83-0374

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TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Executive Director
7D55 Headquarters

HJR

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A synopsis of Headquarters Claims Review Board activities is attached. The contents were presented in a briefing to me by the Chairman of the HCRB. I am in agreement that the process is about right, with the correct balance between the issues involved. However, as employee grief, when it exists, seems to be generated primarily from category limits, I have requested the Board to review our category limits to see if justification exists for the Agency to set higher amounts on all categories than the Department of State and the military services. The Board will address this issue in the near future.

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Harry

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Synopsis of Headquarters Claims Review Board (HCRB) Activities

The authority for Federal entities to reimburse for the loss of personal property stems from the Military Personnel and Civilian Employees' Claims Act of 1964, as amended. Since all of the Federal Government operates under the same law, similarities in procedures would be expected. Similarities were intended by Congress, for the enabling legislation requires the Department of Army to assume a leadership role by establishing, maintaining, and publishing the criteria for adjudication. The rest of the Government is encouraged by Congress to follow the Army's lead with deviations responsive to unique considerations. [redacted]

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All Government entities are in basic synchronism with Army's policies, and rather faithfully incorporate the constant revisions promulgated by the Army (it should be noted that the Army increased category limits significantly in June 1982). This Agency is no exception to the above, but has additionally incorporated relatively liberal policy--policy which allows Agency employees to receive compensation significantly greater than the Department of State [redacted] and the military services.

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Recognizing that the Agency is unique, the HCRB constantly reviews Army guidelines with the objective of achieving a reasonable balance between employee responsibility, Government liability, and the intent of the Claims Act. Over the past several years, the Agency has significantly deviated from Army guidelines, primarily in the areas of the concepts of "Incident to Service" and "Category Limits." The definition of incident to service has been broadened by the HCRB to include virtually any legal action performed while on TDY, whereas all other entities, to the best of our knowledge, limit the activities to those required in the performance of an official duty. By way of example, we pay for losses suffered during activities on off-duty hours when on TDY whereas Army and State do not. Category limits establish the amount of property for which the Government will assume liability based on the concept of what is considered reasonable, useful, or proper, under the attendant circumstances. We pay higher in some areas; and if we learn through our extensive coordination with State and Army of a higher limit, we automatically raise our limit to that new standard. It may also be noted that the computer data base is now established to record any disallowance due to a category limit. A printout is periodically reviewed to determine if a particular limit is active and if justification exists for raising that limit. [redacted]

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As each claim is considered on its own merits, with due consideration to the uniqueness of the Agency's mission and legal and historical precedent, the Board is always in consideration of changes which would ensure the consistent and fair treatment of all Government employees, particularly Agency employees. The following statistics may help determine if the process is operating fairly and consistently:

Time period:	Calendar years 1980-82
Claims received January 1980-82:	427
Claims appealed to DDA:	17

The disposition of the 17 appeals to the DDA follows:



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The number of appeals is significant because each claimant is notified in writing, through appropriate channels, of his right to accept or reject the settlement and is further advised of his right to appeal should he elect to reject the settlement.

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In essence, there is no statistical evidence that the Agency's process is off target. There is justification and logic in maintaining a system that integrates with similar Government activities (Department of State, military, and Justice), while reflecting the uniqueness peculiar to the Agency. The HCRB considers the Agency's system to be about right, with a proper balance between Government interests and employee concerns. ☐

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The Board always welcomes the opportunity to discuss the claims process with management and receive guidance on management's wishes. ☐

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